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Central Intelligence Agency



Washington, D.C. 20505

OLL: 85-0765/1

Subject
WAR CRIM. NALS
C-785857

8 March 1985

Mr. Bernard McMahon
 Staff Director
 Select Committee on Intelligence
 United States Senate
 Washington, D.C. 20510

Dear *Bernie* Bernie:

We recently provided your Committee with copies of sanitized versions of eleven papers dealing with Dr. Josef Mengele. Members of your staff also read these same documents in their unsanitized form. One of these documents referred to an article which had been submitted for publication in a classified intelligence report titled the International Narcotics Review. This article was not published in the Review, but is now a matter of interest to Senators Arlen Specter and Alfonse D'Amato. We intend to suggest to Senators Specter and D'Amato that they review this document under the auspices of your Committee.

This letter transmits to your Committee a copy of the article together with a brief explanation of why the article was not published. The author is an overt employee of this Agency.

Sincerely,

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[]
 Charles A. Briggs
 Director, Office of Legislative Liaison

Enclosures

HCD reviewed: not responsive NWC Disclosure Act

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SUBJECT: Letter to Bernard McMahon, Staff Director, SSCI

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DD/OLL:ELS:mlg (8 March 1985)

26 February 1985

ARTICLE APPEARED
ON PAGE A1

Mengele Link to Drug Trafficking Is Reported in C.I.A. Documents

By RALPH BLUMENTHAL

The Central Intelligence Agency began receiving reports in 1971 that Dr. Josef Mengele, the Nazi war criminal, was heavily involved with partners in illegal narcotics trafficking in Paraguay, according to declassified Government documents.

The documents, provided in censored form by the C.I.A. for a Senate inquiry,

indicate that agency officials in Paraguay gave credence to the reports and forwarded them to headquarters in Washington, which, in turn, queried other Federal investigative agencies on the matter as recently as 1979.

The partially blacked-out documents do not establish the truth of the reports, and leave many questions unanswered about Dr. Mengele, who was chief doctor at the Auschwitz death camp, where millions perished. Among these questions are to what extent the information was pursued in the search for one of Nazi Germany's most notorious fugitives.

'No One Pursued This'

"They just let the information hang there," said Senator Alfonse M. D'Amato, Republican of the New York. "No one pursued this." Senator D'Amato obtained the documents in conjunction with Senator Arlen Specter, Republican of Pennsylvania. The two Senators said they would discuss the documents at a news conference set for today in Washington.

A spokesman for the C.I.A. in Washington said late yesterday that the information about Dr. Mengele was disseminated "as appropriate" to other Government agencies, including the State and Defense Departments, the

Customs Service and the Treasury.

The spokesman, Kathy Pherson, said she could not discuss whether or not the information was forwarded to other governments, such as West Germany, which has an outstanding warrant for Dr. Mengele's arrest.

Further Information Sought

The documents, which were obtained by The New York Times, offer these new accounts, among others:

¶The C.I.A.'s Strategic Narcotics Team approached other Federal agencies in 1979 for further information on reports of drug trafficking by Dr. Mengele, seeking to back up an article that the team had submitted for publication in the International Narcotics Review. The article was later withdrawn and could not be immediately located by the agency, according to Senators D'Amato and Specter.

¶A 1974 C.I.A. debriefing of a source who interviewed Nazis in Paraguay produced information that Dr. Mengele had undergone plastic surgery and appeared to be much younger than his age, which would now be 73. The source also reported that a photograph in Paraguayan passport files showed Dr. Mengele after the plastic surgery.

¶The same source, possibly a writer from the context of the document, also reported an account that around 1968 Dr. Mengele was living in Paraguay with Martin Bormann, Hitler's designated successor, who is believed by most authorities to have died in Berlin in 1945.

\$1 Million Award

In a separate development, the Simon Wiesenthal Center announced yesterday that a \$1 million reward was being offered for information leading to the capture and extradition of Dr. Mengele.

Martin Mendelsohn, a lawyer for the center, an institute for the study of German war crimes that is based in Los Angeles, said the money had been put up by donors who wished to remain anonymous, but who would be identified if Dr. Mengele was apprehended alive. He said the center did not want Dr. Mengele dead and was not seeking vigilante action. The \$1 million comes in addition to rewards pledged earlier that total \$375,000.

According to one C.I.A. document, Dr. Mengele arrived in Paraguay for the first time around 1951 and lived there and in Brazil, Argentina and Uruguay. He has been sought for extradition by West Germany since 1962, ac-

cording to one of the C.I.A. documents. The West Germans also have a warrant for his arrest to stand trial on war crimes charges.

Israeli intelligence teams also reportedly were seeking Dr. Mengele in the 1960's. The United States, which has no jurisdiction to try war criminals, recently announced a Justice Department investigation into reports that Dr. Mengele may have been in Army custody in 1947.

Reportedly Protected

The first of the newly released C.I.A. documents is a cable dated July 12, 1972, from the Asunción station to headquarters. The cable reports that a "petty criminal" hid out at a farm near the town of Encarnación, which is 185 miles southeast of Asunción. The farm, the document said, was owned by a man named Mengele who was using the name Dr. Henrique Wollman. It added, "Report suggests he and others heavily involved in narcotics traffic."

The cable said the office was seeking to determine whether this was the Mengele who was the former Auschwitz doctor. It quoted a report that Dr. Mengele "enjoys the protection" of President Alfredo Stroessner.

A second cable to headquarters a few weeks later confirmed that this was indeed the Nazi fugitive and said he lived in a villa northeast of Asunción, about 30 miles from the Brazilian border and worked as an auto mechanic.

Request for Information

In 1979, the documents show, the C.I.A.'s special assistant for coordination of foreign narcotics information asked officials of the Drug Enforcement Administration and the Customs Service for any information they might have on drug trafficking by Dr. Mengele. The C.I.A. also suggested that the business owned by Dr. Mengele's family, a German farm machinery manufacturing company with offices in South America, "could serve as a mechanism to move or launder large sums of money, as well as to cover the movement of illicit narcotics."

The documents show that the Drug Enforcement Administration and the Treasury Department replied that their records showed no information about Dr. Mengele.

Senators Specter and D'Amato said that they were not satisfied about the thoroughness of that search and that they would press the Drug Enforcement Administration in particular for more information.

Senator Specter said he was also especially eager to get the C.I.A. article on drug trafficking that was cited in the documents.

"I think they'll find it," he said of the

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The Mengele-Narcotics Issue

The February 25, 1985 article in the New York Times refers to a 1979 draft article submitted to the DI the International Narcotics Review on the connection between Dr. Josef Mengele and drug smuggling. The article was prepared by [REDACTED] then an analyst on the Strategic Narcotics Team in the Office of Geographic and Cartographic Research. The article was not published because reviewing officials considered the subject inappropriate for this periodical. We have attached a copy of the original article as submitted by [REDACTED]

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-- When [REDACTED] joined OGCR in the late 1970s his interest in a Mengele narcotics connection revived as a result of 1979 Congressional interest in allegations that Paraguay was harboring Mengele. As a result of this renewed interest, [REDACTED] prepared the draft article for the International Narcotics Review.

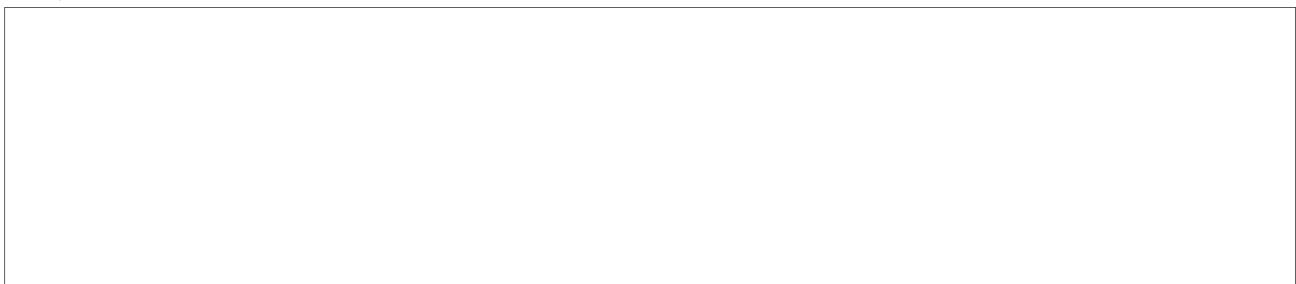
-- The article was shown to appropriate DI analysts and officers of the DO, DEA and US Customs Service for comments and coordination. The analyst's branch chief and other officers involved recollect that the lack of strong evidence or of any recent information played a strong role in the decision not to publish. The DO Special Assistant for Coordination of Foreign Narcotics Information notes in his 30 November 1979 memo to his DEA counterpart that he shares this opinion. The OGCR Office Chief also concluded that the article was an inappropriate subject for the narcotics review, which was intended to provide current support for counternarcotics policymakers.

-- In early 1985 the author provided a copy of the original draft, which he had retained in his publication files, to Mr. Noel Koch, Principal Deputy Assistant Secretary of Defense for International Security Affairs. The author is at present on detail to Mr. Koch's office where he works on terrorism. [REDACTED] thought that given the publicity on Mengele and Mr. Koch's continuing interest in international narcotics matters, he might be interested.

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*LPS*THE MENGELE CONNECTION ?SUMMARY

Some eight years ago, information was obtained that suggested Dr. Josef MENGELE,* the notorious, escaped, German war criminal believed to be hiding in Paraguay, was probably involved in narcotics trafficking and may even have been an associate of Auguste RICORD, head of the Paraguayan-based RICORD Apparatus, who is currently serving a 20 year prison term. RICORD is believed to have smuggled an estimated \$2.5 billion worth of heroin into the United States over a five year period, 1967-1972, and at his sentencing was described by the Prosecutor as the "biggest narcotics trafficker ever brought to justice in the United States." The following is an analysis of some fragments in a puzzle that may shed light on the post-war activities of Dr. MENGELE, since he fled prosecution to find sanctuary in Paraguay. ←

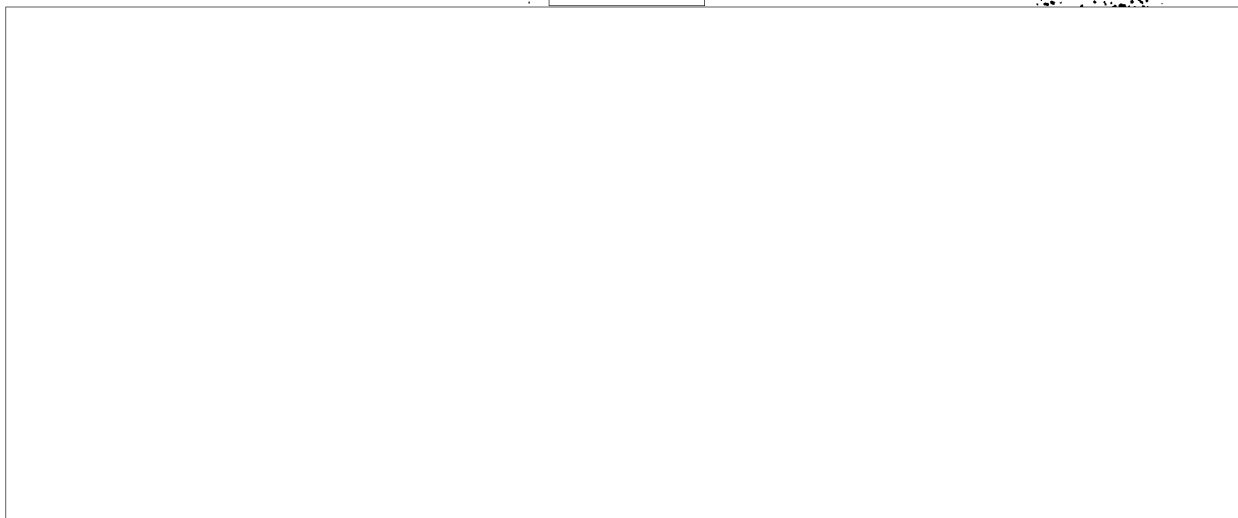


* For almost two decades, the West German Government has been trying without success to obtain the extradition from Paraguay of Dr. MENGELE, the Auschwitz Concentration Camp official, known to inmates as the "Angel of Death". MENGELE reportedly supervised the murder of more than 400,000 Auschwitz inmates of which 200,000 are believed to have been children. Obsessed with the idea of creating a "master-race", Dr. MENGELE indulged in human experimentation and hundreds died on his operating table, victims of his bizarre experiments 25X1

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2. Intrigued by the possibility that the "Mengele" cited in the [redacted] report might be Dr. MENGELE, the war-criminal, a series of actions were initiated. Classified records at CIA Headquarters were reviewed but the results were disappointing. A search of open sources, however, particularly newspaper files, revealed that Dr. Josef MENGELE, the war-criminal had been reported to live in Encarnacion, Paraguay--the same city as where the "Mengele" of the [redacted] report was said to reside. Furthermore, an FBIS report of a Rio de Janerio radio broadcast of 12 March 1965, noted that former SS member Alfred FRANKEL (phonetic) had been arrested in Sao Palo, Brazil where he had been living under alias. When questioned by INTERPOL representatives, FRANKEL stated that Dr. Josef MENGELE had been seen in the town of Encarnacion and that he enjoyed the protection of Paraguayan President, Alfredo STROESSNER. [redacted]

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3. [redacted] reported recurring rumors that Dr. MENGELE was living on a well-guarded ranch near either Encarnacion or Chaco and that in 1959, he endeavored to purchase

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agricultural land in the same area as the Mengele/Becker/Varela farm cited in the [] report. [] also reported that MENGELE reputedly was protected not only by President STROESSNER but also by Generals RODRIGUEZ and COLMAN^E, and that both were deeply involved in smuggling activities that reportedly included narcotics. (At the time, the two Generals were probably the most powerful military figures in Paraguay and; at present, General RODRIGUEZ is viewed as a possible successor to President STROESSNER.) []

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4. Additional data was sought and a second document, a Customs Service report, was located which contained information on the smuggling activities of Paraguayan citizen Felix BECKER and Enio VARELA Segovia, who are believed to be the same as the "Becker" and "Enio Varela," cited in the [] report as the owners of record of the "Mengele" farm. The Customs report noted that both had been arrested in New York City in 1970 for heroin smuggling in a case that involved Aunuste RICORD, who headed the trafficking empire that bore his name. []

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5. The reasons that the two men cited in both reports are believed to be the same are: a) In both reports the names are virtually identical, the names in the Customs report simply being the more complete; b) Both reports describe BECKER as a Paraguayan citizen; c) Both reports describe BECKER and VARELA as a team and; d) Both reports cite both men as being arrested in New York City in 1970. The information from the Customs report, therefore, ties the "Mengele" of the [] report to two narcotics traffickers. []

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 6. Additional information on the 1970 arrest of BECKER and VARELA revealed that VARELA served as the key logistics man for the RICORD Apparatus and that the heroin seized belonged to Auguste RICORD.

(The shipment weighed some 96 kilos and on today's market, if ~~up to~~ 90% pure, would retail for approximately \$190 million.) In an escape

from Federal custody, believed to have been engineered by RICORD, VARELA fled the United States. Returning to Paraguay, he resumed his trafficking activities; and, as of 1974 reportedly worked in collaboration with and under the protection of President STROESSNER's son-in-law, Humberto DOMINGUEZ Dibb. ~~Current information describes~~

VARELA as BECKER's source of supply and BECKER himself has been

designated a "Class 1 Violator"--a category used to denote

~~an individual believed to handle more than one kilo of heroin~~

~~per month.~~ The men linked to "Mengele" were not small time criminals

but ~~then as now~~ major figures in the international heroin traffic. []

7. Further background on BECKER was provided by the [] report 25X1

in which he was described as the brother-in-law of Carlos BARRETO, a

well-known smuggler operating in Paraguay. BARRETO was reported to

keep three aircraft at an airstrip on a ranch adjoining the

Mengele/Becker/Varela property which was owned by Paraguayan

General Andres RODRIGUEZ, the same individual [] reported 25X1

to be protecting Dr. Josef MENGELE, the war-criminal. The information,

~~_____~~ therefore, places the "Mengele" of the

[] report not only in physical proximity to a man reported to be 25X1

protecting Dr. MENGELE, the war-criminal, but also reported to be

deeply involved in smuggling contraband which was believed to include

narcotics. []

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8. To further pin down the MENGELE identification, additional data was sought. Through appropriate intermediaries, Simon WIESENTHAL of the Vienna Documentation Center, a foremost authority on Nazi war crimes was queried; and was able to provide informal confirmation of the identification. Moreover, the probability of a link between Dr. MENGELE and Auguste RICORD was strengthened when it was learned that RICORD as MENGELE was wanted for war-crimes, RICORD having been sentenced to death in France for collaboration with the Gestapo. In view of their common problems, their ideological stance, and their notoriety, there is little doubt that MENGELE and RICORD were aware of each others presence in Paraguay; and, the fact that it is such a small country suggests that they even might have moved in the same circles. The weight of evidence when carefully examined and taken in its totality builds a strong case that the "Mengele" of the [] report and Josef MENGELE, the Auschwitz Concentration Camp doctor are one and the same; and as of the date of the information, Dr. MENGELE probably was involved in narcotics trafficking. []

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9. To our knowledge, there is no recent reporting that would link Dr. MENGELE to narcotics trafficking. Yet, if MENGELE found such activities lucrative eight years ago, there is little reason to believe he would find it any less profitable today. His associates, BECKER and VARELA, continue to engage in large scale trafficking and his protector, General RODRIGUEZ, reportedly has become so rapacious that he offends even Paraguayan standards. Since the illicit activities of BECKER, VARELA, and RODRIGUEZ continue apace, logic suggests that further inquiry into the current activities of Dr. MENGELE might also develop information of possible importance. []

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